

ABSTRACT

In anticipating the growing business and the coming globalization in the short future, CV. Bino invested on a Distribution Center (DC) in Sentul Industry Area, Jakarta. The main purpose is to be have larger space to keep a certain level of buffer stock, thus customers' orders can be fulfilled in a shorter time with less delays.

Ironically, instead of faster delivery, the existence of the DC created more problems and even longer order fulfillment cycle. Therefore, a research is conducted in order to reveal the root problems and finding the solutions to improve the new DC performance.

Since DC plays the main roles in the logistics, it is decided to measure the DC performance by measuring its outcome, that is the Customer Service. For that purpose, an external customer service audit questionnaire is developed and distributed to the existing customers of CV. Bino. Several issues of customer service were evaluated by its importance. Then, to support the analysis, a Pareto Analisis is conducted to see whether the important issues are significant enough for the improvement focus.

It is found that problems affecting Prompt Follow up from Salespeople, Flexible Delivery schedule, Accurate Delivery and Accurate Billing as four of the top five important issues considered important by the customers.

Four types of changes are deployed in order to solve the problems found: Data Structuring (databases), Process (software/application usage), Technology (hardware/network upgrade), and Human resources (brainware /skills) improvement. In the essence, the most improvements were made in the information flow process.

At the end of the research, a new "To-Be" DC-related processes are proposed with a more efficient and effective performance from the DC of CV. Bino.

Keywords: Distribution Center, Logistics, Customer Service, Value Chain Analysis, Pareto Analysis, Business Process Improvement, Information Technology roles.

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